

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT  
NASHVILLE, TENNESSEE**

**October 13, 2003**

**IN RE:**

**PETITION OF COLUMBIA VENTURES BROADBAND, LLC  
AND CTC COMMUNICATIONS CORP. FOR APPROVAL OF  
A TRANSFER OF AUTHORITY**

**DOCKET NO.  
03-00481**

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**ORDER APPROVING TRANSFER OF AUTHORITY**

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This matter came before Director Pat Miller, Director Sara Kyle, and Director Ron Jones of the Tennessee Regulatory Authority (the "TRA" or "Authority"), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on September 8, 2003 for consideration of the Petition filed by Columbia Ventures Broadband, LLC ("Columbia") and CTC Communications Corp. ("CTC") for TRA approval of a transfer of authority to provide telecommunications services required under Tenn. Code Ann. § 65-4-113(a) & (b).

**Tenn. Code Ann. § 65-4-113**

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain TRA approval to transfer its authority to provide utility services (also known as a "certificate of public convenience and necessity" or "CCN"). Tenn. Code Ann. § 65-4-113(a) reads as follows:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

### **The Petition**

In the Petition, which was filed with the TRA on August 20, 2003, the Parties outline a transaction in which CTC's parent company, CTC Communications Group, Inc., will become a wholly-owned subsidiary of Columbia. Because the transaction will result in an indirect transfer of CTC's CCN to provide telecommunications services granted by the Tennessee Public Service Commission on September 12, 1995 in Docket No. 95-02520, the Parties are seeking the necessary approval of the TRA.

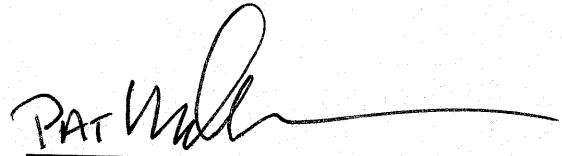
According to the Petition, Columbia and its parent company, Columbia Ventures Corporation, are well-financed and hold ownership and managerial interest in a variety of national and international telecommunications companies that provide a wide array of telecommunications services. After completion of the transaction, CTC will still be owned by CTC Communications Group, Inc. but both companies will be owned by Columbia, and ultimately by Columbia Ventures Corporation, which will then have indirect ownership of CTC's CCN. CTC will remain the holder of the CCN and will still be the provider of services. Therefore, the transaction will be seamless to CTC customers and should result in no changes in the terms, rates, or conditions of service. The Parties contend that the additional capital provided by Columbia will enable CTC to compete more effectively in the telecommunications market.

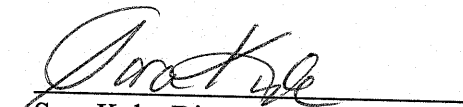
**The September 8, 2003 Authority Conference**

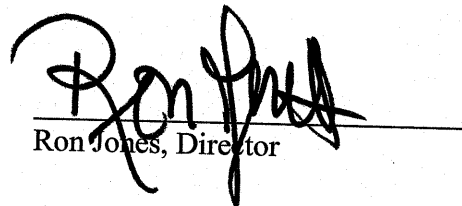
At the September 8, 2003 Authority Conference, the Directors voted unanimously to approve the Petition.

**IT IS THEREFORE ORDERED THAT:**

The proposed indirect transfer of CTC's CCN as described in the Petition and discussed herein is approved.

  
Pat Miller, Director

  
Sara Kyle, Director

  
Ron Jones, Director